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World Poultry

In the U.S. and Mexico, broiler meat overtakes beef as the primary meat consumed, with consumption increasing over the baseline, reaching 45.19 and 25.87 kg per person respectively in 2011. The broiler sector benefited from SPS challenges for other meats. Broiler trade increases by 2.24 tmt in the next decade, or 4.48% annually, reaching 7.22 mmt in 2011.

Availability of improved technologies and production inputs raises world broiler production by 10.3 mmt, or 2.36% annually, culminating in a level of 54 mmt in 2011. As a result, the impact on price of the long-run shift toward poultry consumption is alleviated.

SPS challenges for the other meats result in a high broiler price of $59.15 per cwt at the start of the decade. Strong demand continues to strengthen prices at a rate of 0.90% annually, with the price in 2011 at $61.91, approaching the decade's peak in 1998.

Japanese imports recover by 2.30% annually, reaching 836 tmt in 2011. Avian flu dampens consumption growth in Hong Kong.

Forecast World Broiler Meat Trade Net Importers
(Thousand Metric Tons)

	2002	2003	2004	2005	2006	2007	2008
China – Mainland	505	512	569	640	727	838	951
China - Hong Kong	248	251	255	258	262	265	268
Japan	680	699	716	733	753	772	787
Mexico	245	262	296	323	350	345	338
Russia	1,070	1,082	1,109	1,113	1,134	1,153	1,168
Saudi Arabia	386	406	432	453	477	502	525

Source: FAPRI 2002 Outlook

Economic and population growth spurs imports in South Korea, Indonesia, and Philippines to increase from 94 to 259 tmt over the baseline.

Brazil gains 10 percentage points of market share. Driven by its depreciating currency and new production investments in the grain-rich Center-West region, Brazil expands its production and exports by 4.06% and 9.78%, respectively.

Productivity improvements, product innovation, and a shift to higher-valued products enable Thailand to maintain its market share despite the presence of low-cost competitors and an appreciating currency.

Under WTO accession, the tariff for poultry is the lowest among all meat products in China. Complementary demand for broiler parts and lower tariff rates boost chicken imports by 8.01%, culminating in 1.17 mmt of imports in 2011.

Taiwan's chicken import quota of 12 tmt was maintained with a heavy penalty on excess imports. With WTO accession, Taiwan is expected to remove its quota and replace it with a tariff. As a result, imports increase by 23.89%, reaching 108 tmt in 2011.

Forecast World Broiler Meat Trade Net Exporters
(Thousand Metric Tons)

	2002	2003	2004	2005	2006	2007	2008
Brazil	1,300	1,524	1,683	1,842	1,951	2,045	2,186
US	2,869	2,919	3,029	3,098	3,226	3,371	3,423
Total Exports	5,165	5,435	5,683	5,929	6,176	6,419	6,614
U.S. 12-City Price (U.S. Dollars per Metric Ton)							
	1,306	1,315	1,323	1,325	1,320	1,317	1,330

China's Broiler Production Grows as Producers Focus on Exports and The Domestic Market

China's broiler imports are forecast to remain flat through 2002 as domestic producers will likely supply a greater share of the home market. Broiler production in 2002 is forecast to increase nearly 4 percent to 5.4 million tons as the broiler industry becomes more sophisticated. China's broiler industry is focusing on the huge domestic market as well as foreign markets, particularly the EU and African destinations. In 2002, exports are expected to grow despite last year's set backs caused by trade disputes with Japan and South Korea. Broiler consumption is forecast to increase 3 percent to 5.8 million tons in 2002. In 2001, direct U.S. exports of broilers to China, the seventh largest market for the United States, were valued at $33 million. However, U.S. broiler exports to Hong Kong, for direct consumption there and re-exports to China, accounted for an additional $335 million.

China's Broiler Situation

	1996	1997	1998	1999	2000	2001(p)	2002(f)
	(1,000 tons ready to cook equivalent)						
Production	5,000	2,650	3,450	4,400	5,050	5,200	5,400
Imports	633	677	701	881	953	900	900
Consumption	5,315	2,996	3,828	4,906	5,539	5,611	5,791
Exports	318	331	323	375	464	489	509

Source: USDA/FAS

Imports - Chicken Parts

Origin	1996	1997	1998	1999	2000	2001
Brazil	23,376	24,421	14,470	30,950	52,392	49,040
EU-15	70,753	72,441	90,760	86,478	74,815	56,146
US	469,009	244,472	244,433	374,985	387,455	275,808
Total	631,961	395,908	426,129	588,129	599,804	471,947
US market share	74%	62%	57%	64%	65%	58%

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Inspected Egg Products-U.S. & Canada Export/Import Trade

U.S. Exports to Canada, in Pounds (000) (Preliminary)

Week Ending June 22, 2002	2002	2001 /1	Year-To-Date 2002	2001
Liquid	347	174	8,656	5,398
Frozen	21	0	21	40
Dried	0	18	190	40
Total	368	192	8,867	5,478

U.S. Imports From Canada, in Pounds (000) (Preliminary)

Week Ending June 22, 2002	2002	2001/1	Year-To-Date 2002	2001
Liquid	160	248	2,631	2,638
Frozen	18	11	1,610	638
Dried	80	0	2,158	301
Total	258	259	6,399	3,577

Inspected Shell Eggs

U.S Exports To Canada, In 30-Dozen Cases (Preliminary)

Week Ending June 22, 2002	2002	2001 /1	Year-To-Date 2002	2001
Jumbo	30	0	1,155	87
Extra Large	150	1,717	12,694	23,022
Large	2,634	2,889	53,526	57,383
Medium	960	840	23,197	22,028
Ungraded	10,850	13,230	175,855	165,860
Misc	0	3,800	11,224	40,904
Total	14,624	22,476	277,651	309,284

/1 Comparable Week, to-date figures may not total due to rounding.

Source: USDA/AMS Poultry Programs, Market News Branch in cooperation with Agriculture Canada, Poultry Development Division.

LIVE POULTRY SLTRD UNDER INSPECTION W/E 22-Jun-02

(PRELIMINARY) **U.S. FOWL SLAUGHTERED DOMESTICALLY**

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	1,703	1,517	3,220
LAST WEEK	1,699	1,529	3,228
SAME WEEK YR AGO	1,822	1,553	3,375
TO-DATE/2002	45,503	33,351	78,854
TO-DATE/2001	44,857	33,596	78,453

U.S. FOWL SLAUGHTERED IN CANADA

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	402	0	402
LAST WEEK	438	7	445
SAME WEEK YR AGO	506	7	513
TO-DATE/2002	8,152	38	8,190
TO-DATE/2001	12,166	192	12,358

SOURCE: AGRICULTURE CANADA, PLTRY DEVELOPMENT DIV.

TOTAL U.S. FOWL SLAUGHTERED IN THE U.S. AND CANADA

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	2,105	1,517	3,622
LAST WEEK	2,137	1,536	3,673
SAME WEEK YR AGO	2,328	1,560	3,888
TO-DATE/2002	53,655	33,389	87,044
TO-DATE/2001	57,023	33,788	90,811

SOURCE: USDA/AMS PLTRY PROGRAMS, MRKT NEWS BR.

CENTRAL REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE CENTRAL REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

28-JUN-2002

CHICKEN —— PRICES ———— VOLUME ——
(Cents per Pound)

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

CHICKEN, WITH SKIN ADDED

—— PRICES ———— VOLUME ——
(Cents per Pound)

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	15.50-18.00	-	120,000	-
WTD AVERAGE	17.17			
15-20%				
RANGE	-	11.00-15.00	1,480,200	-
WTD AVERAGE	11.65			
20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				

* INCLUDES THE STATES of AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

EASTERN REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE EASTERN REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

28-JUN-2002

CHICKEN —— PRICES ———— VOLUME ——
(Cents per Pound)

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	16.00	-	160,000	-
WTD AVERAGE	16.00			

CHICKEN, WITH SKIN ADDED

—— PRICES ———— VOLUME ——
(Cents per Pound)

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	12.00-16.00	13.50-15.00	1,176,000	370,000
WTD AVERAGE	15.25	14.43		
15-20%				
RANGE	13.00-15.50	9.00-15.00	1,158,000	104,000
WTD AVERAGE	13.98	11.55		
20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				

* INCLUDES THE STATES of CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

NATIONAL YOUNG TURKEY PARTS AND BULK MEAT, FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 28 JUNE 2002.

The domestic and export markets slow with trading consisting of fill in basis for pre-holiday needs. The export market continued to be cautious and selective with little interest to own product materializing. Bulk parts undertone was steady to instances weak. Tom breast meat steady with some increased availability noted. Bulk parts offerings were mixed due to the upcoming holiday and varied slaughter schedules. Hen bulk parts was mostly steady with some reporting limited increase in availability. Fresh wing meat traded at 59 cents, 12-14 lb. Grade A non-basted breasts and 14-16 lb. both 112 cents.

FRIDAY, JUNE 28, 2002

EXPORT TRADING	**PRICE RANGE**	**L.S.T. CODE 1/**	**WTD AVG PRICE**	**VOLUME (000)**	**WEEKLY WTD AVG PRICE**	**WEEKLY VOLUME (000)**
DRUMSTICKS, TOMS		R	24.00	80	24.72	187
WINGS FULL-CUT - TOMS		W	22.50	40	22.50	40
WINGS, V-TYPE, TOM						
TAILS	16.00-17.00		16.65	616	16.65	616
MECHANICALLY SEPARATED 2/		W	18.50	80	18.50	80
THIGH MEAT - FROZEN	44.50		44.50	400	47.09	671

THURSDAY, JUNE 27, 2002

EXPORT TRADING	**PRICE RANGE**	**L.S.T. CODE 1/**	**WTD AVG PRICE**	**VOLUME (000)**
DRUMSTICKS, TOMS	24.00		24.00	80
WINGS FULL-CUT - TOMS		W	22.50	40
WINGS, V-TYPE, TOM				
TAILS		R	18.00	400
MECHANICALLY SEPARATED 2/		W	18.50	80
THIGH MEAT - FROZEN	47.00		47.00	104

WEDNESDAY, JUNE 26, 2002

EXPORT TRADING	**PRICE RANGE**	**L.S.T. CODE 1/**	**WTD AVG PRICE**	**VOLUME (000)**
DRUMSTICKS, TOMS		T	26.00	27
WINGS FULL-CUT - TOMS	22.50		22.50	40
WINGS, V-TYPE, TOM				
TAILS		R	18.00	400
MECHANICALLY SEPARATED 2/	18.50		18.50	80
THIGH MEAT - FROZEN		T	53.00	67

TUESDAY, JUNE 25, 2002

EXPORT TRADING	**PRICE RANGE**	**L.S.T. CODE 1/**	**WTD AVG PRICE**	**VOLUME (000)**
DRUMSTICKS, TOMS	26.00		26.00	27
WINGS FULL-CUT - TOMS		F	23.15	172
WINGS, V-TYPE, TOM		T	30.50	208
TAILS		R	18.00	400
MECHANICALLY SEPARATED 2/		F	17.00	52
THIGH MEAT - FROZEN	53.00		53.00	67

MONDAY, JUNE 24, 2002

EXPORT TRADING	**PRICE RANGE**	**L.S.T. CODE 1/**	**WTD AVG PRICE**	**VOLUME (000)**
DRUMSTICKS, TOMS	25.00		25.00	80
WINGS FULL-CUT - TOMS		F	23.15	172
WINGS, V-TYPE, TOM		T	30.50	208
TAILS		R	18.00	400
MECHANICALLY SEPARATED 2/		F	17.00	52
THIGH MEAT - FROZEN	52.00-60.00		53.60	100

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY 2/ Product contains 15-20% fat with skin added.